

A bill for an act
relating to local government; authorizing counties to make joint purchases
of energy and energy generation projects; authorizing a tax levy; amending
Minnesota Statutes 2008, section 373.48, by adding a subdivision.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 373.48, is amended by adding a
subdivision to read:

Subd. 3. **Joint purchase of energy and acquisition of generation projects;
financing.** (a) A county may enter into agreements under section 471.59 with other
counties for joint purchase of energy or joint acquisition of interests in projects. A
county may annually levy an ad valorem tax for the purpose of paying the cost of energy
purchased or acquiring interests in projects in an amount not exceeding 0.015 percent of
the market value of taxable property in the county. A county that enters into a multiyear
agreement for purchase of energy or acquires an interest in a project, including C-BED
projects pursuant to section 216B.1612, subdivision 9, may finance the estimated cost of
the energy to be purchased during the term of the agreement or the cost to the county
of the interest in the project by the issuance of general obligation bonds of the county,
including clean renewable energy bonds, provided that the annual debt service on all
bonds issued under this section, together with the amounts to be paid by the county in any
year for the purchase of energy under agreements entered into under this section, must
not exceed the amount of taxes authorized by this section.

(b) An agreement entered into under section 471.59 as provided by this section
may provide that:

2.1 (1) each county shall issue bonds to pay their respective shares of the cost of the
2.2 projects;

2.3 (2) one of the counties shall issue bonds to pay the full costs of the project and that
2.4 the other participating counties shall levy the tax authorized under this subdivision and
2.5 pledge the collections of the tax to the county that issues the bonds; or

2.6 (3) the joint powers board shall issue revenue bonds to pay the full costs of
2.7 the project and that the participating counties shall levy the tax authorized under this
2.8 subdivision and pledge the collections of the tax to the joint powers entity for payment of
2.9 the revenue bonds.

2.10 (c) Bonds issued under this section may be issued without an election and shall not
2.11 constitute net debt of any participating county.